

DISINVESTMENT PATTERN OF PSES; EXPLORING NEW DIMENSIONS OF SUSTAINABILITY

RAKHI SINGH¹ & VIJAY AGRAWAL²

¹Research Scholar, Department of Management, Birla Institute of Technology, Mesra, Patna Campus, India

²Associate Professor, In-Charge, Department of Management, Birla Institute of Technology, Mesra, Patna Campus, India

ABSTRACT

The public sector enterprises referred as “temples of modern India” was setup when only the government has the resources to initiate the Industrial revolution. Now after years of nurturing, when private sector has come of age and have become strong and vibrant part of industrialization few PSEs are being divested for the reasons of non-performance and some for the sake of bridging the gap of fiscal deficit. However looking back it has been observed that there remains the important role of State interventions to revive the country’s economy from depression. Since October 2008, when the global economy looked as if it could plunge into another Great Depression, governments across the world have wasted no time in debates and the ‘State’ has decisively stepped in with stimulus and bailout packages. Incidentally, the ultimate ‘Capitalist’ economy in history, the United States has been the most aggressive in State intervention. (**Business & Economy, 2010**) The research paper attempts to explore the various new dimensions of sustainability considering the disinvestment pattern so far. The current disinvestment policy could be a major threat to PSE’s which are currently treated with disregard by the policy reformers. The paper examines that many Public sector enterprises in India have responded admirably post-economic reforms and liberalisation. Not only did they expand production and profit levels but also became an important choice of investment for global and domestic investors. In future, the PSEs will garner enough opportunities and will enhance their scope of strategy, apart from building their competitiveness through strong and proactive leadership, effective management, and efficient processes that govern business planning and development, and management of resources.

KEYWORDS: Sustainability, Disinvestment, CPSE and Planning Process